FISCAL UPDATE Article

Fiscal Services Division March 26, 2018



Ground Floor, State Capitol Building

Des Moines, Iowa 50319

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FEDERAL FUNDS — MAJOR DISCRETIONARY AND MANDATORY PROGRAM FUNDING

Congressional Budget Bill. On March 23, 2018, Congress gave final approval for a \$1.3 trillion budget bill. The <u>Federal Funds Information for States</u> website provides a summary of significant federal discretionary and mandatory grant funding changes within the Bill. Federal grant funding changes for lowa and a comparison to other midwestern states in FFY 2018 will be addressed in a future *Fiscal Update Article*.

Table 1. Congressional Recommendations — Significant Discretionary Funding

Table 1. Congressional Recommendations —			Congressional	
		Congressional	FFY 2018	
	Enacted	FFY 2018	vs	
Major Discretionary Programs	FFY 2017	Recommendations	FFY 2017	
Department of Agriculture	1112017	Recommendations	111 2017	
Women, Infants, and Children	\$ 6,350,000,000	\$ 6,175,000,000	\$ -175,000,000	
Department of Commerce	, ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	, ,,,,,,,,,	, ,,,,,,,	
Economic Development Administration	237,000,000	263,000,000	26,000,000	
Department of Education				
Supporting Effective Instruction	2,056,000,000	2,056,000,000	C	
Student Support and Academic Enrichment Grants	400,000,000	1,100,000,000	700,000,000	
Federal Supplemental Educational Opportunity Grants	733,000,000	840,000,000	107,000,000	
Work Study	990,000,000	1,130,000,000	140,000,000	
Department of Health and Human Services				
Mental Health Block Grant	563,000,000	723,000,000	160,000,000	
Preventive Health Block Grant	160,000,000	160,000,000	C	
Public Health Emergency Preparedness	660,000,000	670,000,000	10,000,000	
Preschool Development Grants	250,000,000	250,000,000	0	
Community Services Block Grant	715,000,000	715,000,000	0	
Child Care and Development Block Grant	2,856,000,000	5,226,000,000	2,370,000,000	
Low-Income Home Energy Assistance	3,390,000,000	3,640,000,000	250,000,000	
Refugee Assistance	1,675,000,000	1,865,000,000	190,000,000	
Department of Housing and Urban Development (HUD)				
Community Development Block Grant (Entitlement and Non-Entitlement Funds)	2,102,000,000	2,312,000,000	210,000,000	
Homeless Assistance Grants	2,383,000,000	2,513,000,000		
HOME Program	950,000,000	1,362,000,000	412,000,000	
Public Housing Operating Fund	4,400,000,000	4,550,000,000	150,000,000	
Public Housing Capital Fund	1,942,000,000	2,750,000,000	808,000,000	
Tenant-Based Rental Assistance (Section 8 Housing)	20,292,000,000	22,015,000,000	1,723,000,000	
Department of Energy and EPA				
DOE Weatherization Assistance Program	228,000,000	251,000,000	23,000,000	
Department of Justice				
State Criminal Alien Assistance Program	210,000,000	240,000,000	30,000,000	
Byrne Justice Assistance Grants	335,000,000	340,000,000	5,000,000	
Department of Homeland Security				
Urban Area Security Initiative	5,800,000	580,000,000	574,200,000	
Emergency Food and Shelter	120,000,000	120,000,000	C	
Emergency Management Performance Grants	350,000,000	350,000,000	C	
Department of Labor				
Dislocated Worker Assistance	1,021,000,000	1,041,000,000	20,000,000	
Adult Training	816,000,000	846,000,000	30,000,000	
Youth Training	873,000,000	903,000,000	30,000,000	
Employment Service State Administration	671,000,000	666,000,000	-5,000,000	
Department of Transportation			_	
Capital Investment Grants (New Starts)	2,413,000,000	2,645,000,000	232,000,000	
Highway Obligation Limitation	43,266,000,000	44,234,000,000	968,000,000	

Preventive Health Block Grant. The Preventive Health Block Grant is funded from Prevention and Public Health Fund transfers. The FY 2018 Congressional omnibus Bill provides \$1.000 billion for <u>State Targeted Response to the Opioid Crisis Grants</u>, in addition to \$500.0 million provided in the <u>21st Century Cures Act</u>.

Table 2. Congressional Recommendations — Significant Mandatory Program Funding

_					Congressional FFY 2018	
		Congressional		Recommendations		
	Enacted		FFY 2018		vs	
Major Mandatory Programs		FFY 2017	Recommendations		FFY 2017	
Department of Health and Human Services						
Child Nutrition	\$	22,666,000,000	\$ 24,256,000,000	\$	1,590,000,000	
Supplemental Nutrition Assistance - State Administration		3,796,000,000	4,483,000,000		687,000,000	
Social Services Block Grant		1,583,000,000	1,588,000,000		5,000,000	
Temporary Assistance to Needy Families (TANF)		16,512,000,000	16,512,000,000		-	
TANF Contingency Fund		608,000,000	608,000,000		-	
Child Support Enforcement Administrative Costs		4,408,000,000	4,495,000,000		87,000,000	
Foster Care		5,366,000,000	5,281,000,000		-85,000,000	
Adoption Assistance		2,706,000,000	2,861,000,000		155,000,000	
Children's Health Insurance Program (CHIP) State Allotments		15,952,000,000	183,000,000		-15,769,000,000	
Medicaid Vendor Payments		395,022,000,000	408,290,000,000		13,268,000,000	
Medicaid Administration		22,596,000,000	20,960,000,000		-1,636,000,000	
Vaccines for Children		4,437,000,000	4,401,000,000		-36,000,000	
Payments from States for Medicare Prescription Drugs		-11,175,000,000	11,470,000,000		22,645,000,000	
Vocational Rehabilitation State Grants		3,164,000,000	3,225,000,000		61,000,000	

Sequestration. Under the <u>Budget Control Act of 2011</u>, mandatory programs subject to sequestration received an automatic reduction of 6.9% in FFY 2017 and will receive reductions of 6.6% and 6.2% in FFY 2018 and FFY 2019, respectively.

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